



State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

Michael O. Leavitt
Governor

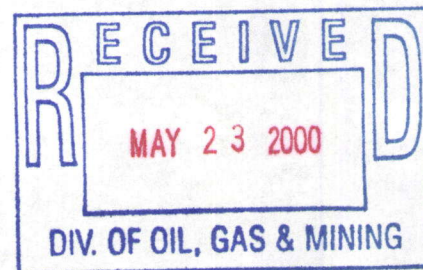
David T. Terry
Director

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5/15/085

May 19, 2000

Mr. Bill E. Ruehman
The Rockland Corporation
400 So. 100 E.
P.O. Box 656
Emery, UT 84522



RE: ML 42844A-Clay Lease, Plan of Operation

Dear Mr. Ruehman,

Thank you for your plan of operations to mine humic shale under mineral lease ML 42844A. I understand that you plan to expand upon the site opened by Miracle Rock Mining upon the leasehold.

Reclamation of the existing disturbances under ML 42844A-Clay is bonded by Miracle Rock Mining. It is necessary that the Rockland Corporation submit a replacement bond if it is terminating operations by Miracle Rock Mining. I need an estimate of the acreage mined by Miracle Rock Mining and an estimate of new acreage proposed for mining by the Rockland Corporation. All existing and proposed mining acreage under the lease must be adequately bonded with the Trust Lands Administration before any approval may be given to Rockland Corporation's plan of operation. Upon receipt of the requested acreage numbers I will provide further instructions regarding bonding.

The plan of operation is unclear as to how mined tonnages of the leased substances will be accounted for to the Trust Lands Administration. All of the leased substances which are mined must be measured by weight (tons) and reported as to value. Royalty of 5% of the Gross Value of the leased substances mined, sold, used or stockpiled must be paid not later than the the last day of the month next succeeding the calender quarter during which the leased substances of mined or produced and removed from the leasehold.

Sincerely,

John T. Blake
Mineral Resources Specialist

cc: Tony Gallegos